

Amendments To Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Currently Amended) A transponder-reader transaction system configured with a biometric security device, said system comprising:

a first transponder responsive to a first RF interrogation signal from a reader;

a second transponder physically in a same fob as, and associated with, said first transponder and responsive to a second RF interrogation signal, said first RF interrogation signal responding to distinct frequencies from said second RF interrogation signal;

a transponder system authentication circuit in communication with at least one of said first transponder and said second transponder, said transponder system authentication circuit configured to authenticate at least one of said first RF interrogation signal and said second RF interrogation signal;

said biometric security device comprising a biometric sensor configured to detect a proffered biometric sample, said biometric sensor is configured to communicate with said system; and,

a verification device configured to verify said proffered biometric sample to selectively activate one of said first and second transponders to facilitate a payment transaction.

2. (Previously Presented) The transponder-reader transaction system of Claim 1, wherein said biometric sensor is configured to communicate with said transponder-reader transaction system via one of said first transponder, said second transponder, said reader, and a network.

3. (Currently Amended) The transponder-reader transaction system of Claim 1, wherein said biometric sensor is configured as a switch configured to place said first and second transponders in at least one of a selectivity mode and an inclusivity mode, wherein said selectivity mode includes enabling purchase of an item using a selected account number and inclusivity mode includes said first and second transponders in an operational mode permitting said first and second transponders to be responsive to RF interrogation and interrogation via USB connector.

4. (Currently Amended) The transponder-reader transaction system of Claim 1, wherein said biometric sensor is located on said fob and said biometric sensor is configured to store log data within said fob, said log data comprising one of a detected biometric sample, a processed biometric sample and a stored biometric sample, and wherein said biometric sensor is further configured to employ a security procedure when said proffered biometric sample differs from said log data.

5. (Currently Amended) The transponder-reader transaction system of Claim 1, further including a database configured to store a data packet, wherein said data packet includes at least one of proffered and registered biometric samples, proffered and registered user information, terrorist information, and criminal information, wherein said database is contained in at least one of said first transponder, said second transponder, said reader, said biometric sensor, a remote server, a merchant server and said transponder-reader system.

6. (Cancelled).

7. (Cancelled).

8. (Cancelled).

9. (Cancelled).

10. (Cancelled).

11. (Cancelled).

12. (Currently Amended) The transponder-reader transaction system of Claim 14, further including a comparison device configured to compare said proffered biometric sample with a stored biometric sample, wherein said stored biometric sample comprises a registered biometric sample, wherein said registered biometric sample is associated with ~~at least one of:~~ personal information, credit card information, debit card information, savings account information, and loyalty point information.

13. (Currently Amended) The transponder-reader transaction system of Claim 12, wherein each of said registered biometric samples from the same person is associated with a different one of: personal information, credit card information, debit card information, savings account information, and loyalty point information.

14. (Currently Amended) The transponder-reader transaction system of Claim 12, wherein said biometric sample includes a first biometric sample and a second biometric sample, wherein said first biometric sample and said second biometric sample is from the same person, said first biometric sample is primarily associated with a accesses first user account information, wherein said first user account information comprises at least one of personal information, credit card information, debit card information, savings account information, and loyalty point information, and wherein said second biometric sample is secondarily associated with a accesses second user account information, wherein said second user account information comprises at least one of personal information, credit card information, debit card information, savings account information, and loyalty point information.

15. (Currently Amended) The transponder-reader transaction system of Claim 1, ~~wherein said transponder-reader transaction system is configured to begin mutual authentication upon verification of said proffered biometric sample~~ wherein said biometric sample includes a first biometric sample and a second biometric sample, wherein said first biometric sample and said second biometric sample is from the same person, said first transponder configured activate upon verification of said first biometric sample and said second transponder configured to activate upon verification of said second biometric sample.

16. (Cancelled).

17. (Cancelled).

18. (Cancelled).

19. (Previously Presented) The transponder-reader transaction system of Claim 1, wherein said verification device is configured to facilitate the use of a secondary security procedure, which includes sending a signal to notify that the proposed transaction would violate at least one of said preset transaction limitation and an established rule for said activated transponder, wherein said preset transaction limitation comprises at least one of a maximum transaction amount, minimum transaction amount, maximum number of transactions within a time period, maximum number of transactions, use by certain merchants, temporal limitation, geographic limitation, and use of non-monetary funds.

20. (Cancelled).

21. (Cancelled).

22. (Cancelled).

23. (Cancelled).

24. (New) The transponder-reader transaction system of claim 1, further comprising said reader configured to provide a first radio frequency (RF) interrogation signal for powering a transponder system, to receive a transponder system RF signal, and to communicate transponder system account data related to said transponder system RF signal to a merchant system, said reader including, a first interrogator for providing said first RF interrogation signal; said transponder system authentication circuit comprising a reader authentication circuit in communication with said first interrogator for authenticating said transponder system RF signal; an RFID reader database for storing RFID reader data, said reader database in communication with said reader authentication circuit; an RFID reader protocol/sequence controller in communication with at least one of said first interrogator, said reader authentication circuit, and said reader database, said reader protocol/sequence controller configured to facilitate control of an order of operation of said first interrogator, said reader authentication circuit, and said reader database; and an RFID reader communications interface configured to communicate with said merchant system, said reader communications interface configured to provide said transponder system account data, wherein said transponder system is configured to receive said first RF interrogation signal, to authenticate said first RF interrogation signal, and to transmit said transponder system account data, said transponder system further comprising: a first transponder responsive to said first RF interrogation signal; a transponder system authentication circuit in communication with said first transponder, said transponder system authentication circuit configured to authenticate said first RF interrogation signal; a transponder system database for storing said transponder system account data, said transponder system database in communication with said transponder system authentication circuit; and a transponder system protocol/sequence controller in communication with at least one of said first transponder, said transponder system authentication circuit, and said transponder system database, said transponder system protocol/sequence controller configured to control the order of operation of said first transponder, said transponder system authentication circuit, and said transponder system database, wherein said transponder system protocol/sequence controller is configured to

activate said transponder system authentication circuit in response to said first RF interrogation signal having an RFID reader authentication code, said transponder system authentication circuit configured to encrypt said reader authentication code to provide an encrypted RFID reader authentication code, said transponder system authentication circuit configured to provide said encrypted RFID reader authentication code to said first transponder for providing to said reader, wherein said reader is configured to receive said encrypted RFID reader authentication code, and wherein said reader protocol/sequence controller is configured to activate said reader authentication circuit in response to said encrypted RFID reader authentication code, wherein said reader database is configured to provide a transponder system decryption security key to said reader authentication circuit in response to said encrypted RFID reader authentication code, said transponder system decryption security key for use in decrypting said encrypted RFID reader authentication code to form a decrypted RFID reader authentication code, said transponder system decryption security key provided to said reader based on a unique transponder identification code, wherein said reader authentication circuit is configured to compare said decrypted RFID reader authentication code and said reader authentication code to determine whether a match exists, and wherein said reader protocol/sequence controller is configured to activate said reader communications interface where said reader authentication circuit matches said decrypted RFID reader authentication code and said reader authentication code.

25. (New) The transponder-reader transaction system according to claim 24, wherein said transponder system protocol/sequence controller activates said transponder system authentication circuit in response to said first RF interrogation signal, wherein said transponder system authentication circuit is configured to provide a transponder authentication code to said first transponder for providing to said reader.

26. (New) The transponder-reader transaction system according to claim 25, wherein said reader authentication circuit is configured to receive said transponder authentication code, said reader protocol/sequence controller activating said reader authentication circuit in response to said transponder authentication code, said reader authentication circuit configured to encrypt said transponder authentication code to form an encrypted transponder authentication code, wherein said reader is configured to provide said encrypted transponder authentication code to said transponder system.

27. (New) The transponder-reader transaction system according to claim 26, wherein said transponder system database is configured to store at least one of a transponder system identification data and an RFID reader decryption security key, and wherein said transponder system database is configured to provide said reader decryption security key to said transponder system authentication circuit in response to said encrypted transponder authentication code, said reader decryption security key for use in decrypting said encrypted transponder authentication code to form a decrypted transponder authentication code.

28. (New) The transponder-reader transaction system according to claim 27, wherein said transponder system authentication circuit is configured to compare said decrypted transponder authentication code and said transponder authentication code to determine whether a match exists.

29. (New) The transponder-reader transaction system according to claim 28, wherein said transponder system account data is in magnetic stripe format.

30. (New) The transponder-reader transaction system according to claim 29, wherein said transponder system account data is encrypted as a pre-encrypted transponder system account data, wherein said transponder system database is configured to provide said pre-encrypted transponder system account data to said reader when said transponder system authentication circuit matches said decrypted transponder authentication code and said transponder authentication code.

31. (New) The transponder-reader transaction system according to claim 30, wherein said reader communications interface is configured to provide a transponder system PIN and said pre-encrypted transponder system account data when said transponder authentication code matches said decrypted transponder authentication code, and said decrypted RFID reader authentication code matches said reader authentication code.

32. (New) The transponder-reader transaction system of claim 1, further comprising said system configured to determine whether a user requested transaction exceeds a preloaded value defined by a preloaded value data file associated with a transponder; determine whether said transaction exceeds a combination of said preloaded value and a reload value defined by a reload protocol data file associated with said transponder, wherein said preloaded value data file and said reload protocol data file define predetermined values for use in satisfying a user transaction

request; notify a user to proffer a biometric sample to authorize use of said combination of said preloaded value and said reload value to complete said transaction; detect a proffered biometric sample at a sensor communicating with said system; verify said proffered biometric sample; and authorize said transaction to proceed by applying said preloaded value from a first funding source associated with said transponder and applying a portion of said reload value from one of said first funding source and a second funding source according to said reload protocol data file.

33. (New) The transponder-reader transaction system of claim 32, wherein said system is further configured to update said preloaded value data file according to said reload protocol data file.

34. (New) The transponder-reader transaction system of claim 32, wherein said system is further configured to provide a transponder system identifier and update reload indicia to a user interface to obtain user authorization prior to reloading said preloaded value.

35. (New) The transponder-reader transaction system of claim 32, wherein said system is further configured to provide incentives to a transponder user based on said reloading of said preloaded value.

36. (New) The transponder-reader transaction system of claim 32, wherein said system is further configured to provide a transponder system identifier to an issuer system server and providing in real-time an update reload protocol to said issuer system server for reloading the preloaded value in real-time according to said reload protocol.